

## Knob Gallery

Joan Shelley, Owner and CEO of KnobGallery, developed a niche market for cabinet hardware with her home-based business that provides Internet and retail customers with the largest single source for decorative hardware. She saw a trend in the emerging home decorative market and created marketing avenues for homeowners to decorate their homes with “jewelry” not just knobs, including high-end custom hardware not normally available in local stores. KnobGallery was born out of Joan’s frustration in finding adequate sources hardware for the custom cabinetry she built. She spent a great deal of time searching for just the right knob or drawer pull for a client and knew that there had to be a better way for people to find what they needed in light of recent technological advances. The knobs were the finishing touches so necessary to completing her projects, rather insignificant in terms of cost, but expensive in terms of the time needed to find them.

Joan’s concept of allowing customers to directly sort and choose from 150,000 cabinet knobs, and then purchase them online was innovative. Even more unique was the search mechanism and complete program for processing orders and accounting that she designed behind the scenes on the web. She has been able to integrate not only catalog sales on the internet, but invoicing, purchase orders, shipping and receiving functions, and maintains a complete contact management database with task functioning. Through this system, seventy percent of her products are delivered anywhere in the country within seven business days. With this “web-based” backbone in place, Joan has been able to tie people from around the country to work together via web and virtual private networking between the main office in Oconomowoc, WI, the storefront in Brookfield, WI, purchasing in North Carolina, customer service in multiple locations, graphic design in Missouri and photography in Utah. Her newest project is to integrate a common voice/data intranet system, to share information directly and to utilize an IP system of phone lines to tie all these entities together not only by computer but also by voice. This system will allow a customer to call in, be transferred and serviced directly by anyone of her associates around the country.



Joan had to create KnobGallery’s image as that of a comfortable place to shop, with knowledgeable staff and reasonable prices. Planning and designing the site was done exclusively by Joan and her then sixteen-year-old daughter Kristina who was an emerging graphic and web designer. They studied, graphed, outlined and planned for months to create a website organization to meet their needs. With no funding to hire employees, Joan utilized the time and talents of her husband and family. Ecommerce was not looked at with much confidence in 1999, so finding business capital was nearly impossible. Joan self-funded the business for the first year, but due to rapid growth, needed more money. Through Wisconsin Women’s Business Initiative Corporation, Joan was able to secure an SBA guaranteed loan.

Finding vendors to support KnobGallery was tricky. Joan had to plan an information program targeted to vendors letting them know that KnobGallery was not out to undercut their clients. Joan worked hard to build confidence and learn their products and obtained lines of credit with nearly all of them. Joan has also worked to make arrangements for drop shipments with many, reducing onsite inventory, cutting delivery time to customers and improving cash flow due to quicker payment from clients.

Joan has managed to consistently grow KnobGallery's sales for the past three and one-half years. She has accomplished this growth through careful and diligent use of Internet sales techniques that produced results. As sales grew, Joan constantly monitored Internet sales results and determined how and where to cut the high cost of click-thru's while still maintaining sales. This required her to learn a completely new language on e-commerce. She has also negotiated key sales partnerships with local and national vendors, including builders who feature her products in their model homes and included her hardware options in their contracts.

Joan has grown from a one-woman operation to today's staff of eight full-time and fourteen part-time employees. During peak periods, there are an additional four seasonal employees. Employment has always been family friendly and has provided a welcoming environment to employees who would have a difficult time in the traditional 9-5 workplace. Joan believes in the value of work and has made many of her personnel decisions by her dedication to building and maintaining positive families in the community.

Joan has supported the community in several ways. KnobGallery was contacted by The Playhouse Project in San Diego, CA that was raising money for the support of foster children. This group constructed detailed children's playhouses and Joan donated doorknobs and cabinet knobs that she had designed for five of these houses. In addition, at the company's expense, Joan sent her daughter (a graphic artist) to assist for a weekend in the promotion and sale of these houses. KnobGallery has donated several gift certificates to local schools in fundraising auctions. Joan also assisted a local non-denominational church group to raise money for free transportation for the elderly in the community by creating a decorative display and donating a gift certificate.

Joan donates five hours a week to teaching and planning activities at her churches children's organization. She is also a local resource for a volunteer women's organization to help coordinate assistance to the families of acute and terminal patients.

Joan is an entrepreneur in the finest sense. She continually strives to grow her business while maintaining the values and work ethics that makes businesses a success. SBA is proud to have played a part in the success of KnobGallery.